GEHA Annual Westing 20 Jan 71

(Backgraund Info.)

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19 October 1970

25X1	MEMORANDUM FOR: Vice President, GEHA	
	SUBJECT : Nominations for the Board of Directors, GEHA	
	In accordance with request of	25X1
	13 October, submitted are three nominations for the DDI	
	members of the Board of Directors of GEHA:	
25X1	Mr. Enno Henry Knocke Dr. Edward L. Allen	
		25X1
	EDWARD L. ALLEN Member, GEHA Board of Directors	

16 October 1970

25X1	MEMORANDUM FOR:	Secretary of GEHA, Inc.	
	SUBJECT :	Nominees for the Board of Directors, GEHA	
		ng listed officers are nominated for the rs, Government Employees Health Association.	
		Mr. Robert S. Wattles	
25X1			
		Office of Communications	5X1

STATINTL

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ANNUAL MEETING OF

YOUR

GOVERNMENT

EMPLOYEES

HEALTH

ASSOCIATION

INCORPORATED UNDER THE LAWS OF THE DISTRICT OF COLUMBIA

IN THE INTEREST OF INSURANCE PROTECTION FOR AGENCY EMPLOYEES

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#### PROVIDING A VARIETY OF INSURANCE PLANS

- LIFE INSURANCE

UBLIC WAEPA CONTRACT

- HEALTH INSURANCE

ASSOCIATION BENEFIT PLAN
(HOSPITAL, MEDICAL & SURGICAL)
CONTRACT HOSPITALIZATION
SPECIFIED DREAD DISEASE PLAN

- DISABILITY INSURANCE (INCOME REPLACEMENT PLAN)
- ACCIDENTAL DEATH & DISMEMBERMENT INS. (24 HOUR FAP)
- TRAVEL INSURANCE

AIR FLIGHT TRIP
MILITARY AIR FLIGHT TRIP

#### HIGHLIGHTS OF 1970

The Association Benefit Plan was improved by making the benefits for treatment of mental and nervous conditions (previously 50%) the same as for any other illness. Also, the Plan's benefits for maternity expenses were greatly improved to provide full payment of the hospital bill and increased coverage of doctor's charges. Premiums were not increased.

Late in the year, Congress passed legislation which increased the amount which federal agencies contribute toward employees health insurance. As a result, employees enrolled in the Association Benefit Plan will pay less for their health insurance in 1971.

On 11 May 1970, a blanket 20% increase in life insurance was made effective under the UBLIC Plan with no increase in premium. In addition, dependent coverage was increased on a graduated scale depending on the sponsoring employee's coverage. Maximum dependent coverage is now \$3,000.

In October 1970, GEHA began reimbursing the Agency for 3 additional salaries of Insurance Branch employees. GEHA now reimburses the Agency for 16 employees' salaries from various insurance funds.

During 1970, studies were begun for possible implementation of payroll deduction of insurance premiums. It is hoped that this can be accomplished in order to achieve convenience for GEHA members and improved efficiency for GEHA, as well as improved cover and security in the overall operation.

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#### Comparison with 31 December 1969 figures:

UBLIC	-	Policies	increased by	19	Insurance increased by	\$18	, 894, 000*
WAEPA	-	Policies	decreased by	30	Insurance decreased by	\$ 1,	,107,500
Contract	-	Policies	decreased by	31	Insurance decreased by	\$	320,000

\*UBLIC increase due to 20% blanket increase in coverage on 11 May 70 without premium increase.

Comparison with 1969 benefits:

UBLIC benefits up \$29,200

WAEPA benefits down \$19,600

Contract benefits up \$20,000

UBLIC Reserve as of 31 December 1970 \$1,616,000

Amount needed to fund Retiree Benefit \$1,900,000

Income on investment of UBLIC Reserve in 1970 \$114,000

Of the ten claims paid under the Retiree Benefit since June 1966, two were \$10,000 each because accidental death was involved.

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Although an increase in benefits for 1970 was forecast, the Association did not raise premiums, choosing to let accumulated reserves pay for the increase in claims expense.

The Association Benefit Plan was still in a most favorable financial position at the end of 1970, despite claims exceeding premium by approximately \$130,000.

Employee cost for the Association Benefit Plan has not been increased since 1 January 1969.

Enrollment in the Association Benefit Plan is down approximately 200 from 31 December 1969. This is attributable to the loss in enrollment during the last Open Season, believed to be due in part to employees seeking better maternity benefits. Maternity benefits of the Association Benefit Plan were considerably increased in 1970.

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# SUMMARY OF INSURANCE ACTIVITY 1 January through 31 December 1970

Premiums Paid to Underwriters		
UBLIC		25>
WAEPA		
Contract Life		
Association Plan Hospitalization		10/19/69 - 10/17/70
Contract Hospitalization		10/19/69 - 10/17/70
Air Flight	4, 826. 75	
Income Replacement	24, 467.00	
Specified Diseases	9, 303. 99	
Flight and Accident Plan	72, 996. 80	25>
*GEHA - Special	21.14	
Military Air Flight	804.50	
laims Paid by Underwriters		75°
Association Plan Hospitalization		10/19/69 - 10/17/76 <sup>25</sup>
Contract Hospitalization		10/19/69 - 10/17/70
**UBLIC		
*** WAEPA		
**** Contract Life		
Air Flight	0	_
Military Air Flight	0	
Income Replacement	9, 828. 63	25)
Specified Diseases	2, 697. 65	
Flight and Accident Plan	0	
GEHA - Special		

\*Master Policy cancelled 1 February 1970.

\*\*3 at \$36,000; 2 at \$30,000; 2 at \$24,000; 2 at \$20,000; 1 at \$18,000; 1 at \$12,000; 2 ret. at \$5,000; 1 ret. at \$3,541.67; 1 ret. at \$3,111.11; 1 ret. at \$837.50; 5 dep. at \$3,000; 2 dep. at \$2,500; 1 dep. at \$1,500; 1 dep. at \$1,250 and 9 dep. at \$1,000.

\*\*\*2 at \$25,000; 2 at \$20,000; 1 dep. at \$2,002.14; 7 dep. at \$2,000.00

\*\*\*\*1 at \$15,000; 1 at \$10,000; 1 at \$5,000

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#### This Notice Expires 1 February 1972

PERSONNEL	
	15 December 1971

#### GOVERNMENT EMPLOYEES HEALTH ASSOCIATION MEETING

- 1. This notice is addressed to all members of the Government Employees Health Association, Inc., (GEHA, Inc.) in headquarters.
- 2. The annual meeting of GEHA, Inc., will be held in the auditorium, Headquarters Building, at 10 a.m. on Wednesday, 19 January 1972. Members of GEHA, Inc., who are unable to attend this meeting and who wish to cast their votes in the election of directors may do so by completing the attached absentee ballot or a facsimile ballot. All ballots must be in the hands of the Secretary of GEHA, Inc., 406 Magazine Building, by the close of business on Friday, 14 January 1972.

25X1

25X1

3. Pursuant to the bylaws, a nominating committee has submitted the names of individuals for directors of GEHA, Inc., as shown on the absence ballot.

FOR THE DIRECTOR OF CENTRAL INTELLIGENCE:

JOHN W. COFFEY Deputy Director for Support

Attachment

DISTRIBUTION: ALL EMPLOYEES